

Appeal No: VA23/5/0622

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015
VALUATION ACTS, 2001 - 2015**

BLACKROCK SHOPPING CENTRE CAR PARK

APPELLANT

and

COMMISSIONER OF VALUATION

RESPONDENT

In relation to the valuation of

Property No. 519937, Carpark at Blackrock Shopping Centre, Frascati Road, Blackrock, County Dublin.

B E F O R E

Barra McCabe - BL, MRICS, MSCSI

Deputy Chairperson

Frank O'Grady - MA, FSCSI, FRICS.

Member

Annamaria Gallivan - FRICS, FSCSI, MPhil SEE

Member

JUDGMENT OF THE VALUATION TRIBUNAL

ISSUED ON THE 20TH DAY OF SEPTEMBER, 2024

1. THE APPEAL

1.1 By Notice of Appeal received on the 15th day of October 2023 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV)’ of the above relevant Property was fixed in the sum of €367,000.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because:

“1. The valuation is excessive and inequitable owing to matters of fact. The car park has a total of 289 spaces, but 40 of these are on contract to Zurich and already assessed with PN 5022760. The total of public spaces is therefore 249.

2. The valuation of the remaining spaces is excessive in view of the income of the car park. The public car park revenue does not exceed €600/space gross. It is very unlikely that the hypothetical tenant would be able to afford more than €400/space net of his costs. The centre has to offer free parking weekdays 9am-12pm just to incentivise traffic.

3. There is a danger in assuming that the car parking at Blackrock SC is the same as that at Frascati - it is not. The parking for Frascati can be accessed both directions and stands at the junction of a primary route. The parking for Blackrock can be accessed via Rock Hill (one way, save for the junction) or George's Avenue (one way). The flow has been altered by DLR to prevent maximum attractiveness for parking cars and this needs to be reflected.”

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €96,600.

2. REVALUATION HISTORY

2.1 On the 13th day of April 2023 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €367,000.

2.2 A Final Valuation Certificate issued on the 15th day of September 2023 stating a valuation of €367,000.

2.3 The date by reference to which the value of the property, the subject of this appeal, was determined is the 1st day of February 2022.

3. THE HEARING

3.1 The Appeal proceeded by way of an oral hearing held remotely via Zoom, on the 11th day of June 2024. At the hearing the Appellant was represented by Mr. David ES Halpin M.Sc. (Real

Estate) Ba. (Mod) of the Eamonn Halpin & Co. Ltd. and the Respondent was represented by Mr David Calhoun of Tailte Eireann.

3.2 In accordance with the Rules of the Tribunal, the parties had exchanged their respective reports and précis of evidence prior to the commencement of the hearing and submitted them to the Tribunal. At the oral hearing, each witness, having taken the oath, adopted his précis as his evidence-in-chief in addition to giving oral evidence.

4. FACTS

4.1 From the evidence adduced by the parties, the Tribunal finds the following facts.

4.2 The subject property is a multi-storey car park at ground and basement levels.

4.3 The property is part of Blackrock Shopping Centre, a mixed-use development of retail and offices. The property is accessed via both Rock Hill and Georges Avenue.

4.4 The property is owner-managed and held freehold.

4.5 There was an issue regarding the number of spaces to be included in the valuation and it is now agreed that there are 249 car spaces.

5. ISSUES

5.1 The matter at issue is quantum.

6. RELEVANT STATUTORY PROVISIONS:

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be considered in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

7. APPELLANT’S CASE

7.1 Mr. David Halpin appeared for the Appellant, adopted his précis as his evidence in chief and confirmed that it was agreed there were 249 car spaces. He described the property as a ground floor and basement multi-storey car park that formed part of a recently been refurbished shopping centre with SuperValu as the anchor tenant.

7.2 He stated that the property derives its income primarily from hourly charged public parking, that 4 spaces are licenced annually to retailers in the centre and that a car valet company also has 4 reserved spaces.

7.3 Mr. Halpin gave details of the income achieved over the previous 5-year period (See Appendix1, N/A to public), including the hourly rates, licence charges and the effect of Covid on the business. In addition, he outlined the subvention from SuperValu.

7.4 He stated that car park access to the subject property was significantly poorer than of the Frascati Centre across the road.

7.5 To assist his case he introduced 4 NAV comparisons:

1. PN 1132505. Surface car park in Dundrum 300 spaces NAV €165,000 €550/space.

2. PN 2190584. Surface car park in Blackrock 50 spaces NAV €37,500 €750/space.
3. PN 2202447. Multi-storey car park in Blackrock 366 spaces NAV €366,000 €1,000/space
4. PN 2204862. Surface car park in Dalkey 93 spaces NAV €46,500 €500/space.

7.6 In his summary he opined that the maximum sustainable net revenue achievable from the property was €750/space and after deductions left a maximum of NAV of €430/space. He contended for a revised valuation of €107,000 NAV.

8. RESPONDENT'S CASE

8.1 Mr. David Colhoun appeared for the Respondent, adopted his précis as his evidence in chief and agreed with the revised number of car spaces at 249 and concurred with the details provided on location, description and title.

8.2 Mr. Colhoun commented on the fact that the carpark was owner-managed, and that the development was run for the benefit of the tenants/occupiers of the centre and used as an inducement to encourage customers.

8.3 He commented on the comparisons used by the Appellant and stated that 3 out of the 4 properties were unmanned surface carparks and that the subject was a multi-storey carpark.

8.4 To support his case 2 NAV comparisons and 1 KRT were introduced (See Appendix 2, N/A to public).

8.5 Mr. Colhoun stated that there was a shortage of rental information regarding car parking in the Dun Laoghaire-Rathdown (DLR) rating authority area, and of the 11 properties considered only one provided rental and financial information. He opined that turnover was a key element in determining the rental value of each site and that a hypothetical tenant would differ in his approach to a site when contrasted with an owner-occupier of a shopping centre development. The valuation scheme for multi-storey car parks in DLR is the same as the scheme utilised in the recent

revaluations in Louth, Meath, Tipperary, Wicklow, Wexford and the other revaluations in Dublin City.

8.6 Mr. Colhoun concluded stating that following the adjustment to the total car space numbers to 249 on the valuation list the NAV should be €249,000.

9. SUBMISSIONS

9.1 There were no legal submissions.

10. FINDINGS AND CONCLUSIONS

10.1 On this appeal the Tribunal must determine the value of the Property to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Dun Laoghaire-Rathdown.

10.2 The Tribunal has examined the particulars of the property and considered the written and oral evidence adduced by Mr. Halpin on behalf of the Appellant who contended for a revised valuation of €107,000, and Mr. Colhoun for the Respondent who sought confirmation of the revised NAV at €249,000 as fair and equitable.

10.3 The evidence offered by the Appellant comprises 3 surface car parks which as stated by the Respondent is not how the subject is described by both parties and are of limited use to the Tribunal. The final comparison, a multi-storey car park in Blackrock is used by both parties. The Tribunal is not convinced by the Appellant's argument based on income per space per day or per hour because the maximum income from the property cannot be achieved when several hours per day is free to the public /customers of the centre.

10.4 The argument made by Mr. Colhoun that the subject property is owner-managed for the benefit of the development to increase customer footfall is well made. In addition, the Tribunal is aware that the NAV can only be arrived at as the sum a hypothetical tenant would pay in a revenue generating property.

10.5 The Commissioner of Valuation has adopted a scheme for the valuation of car parks as used in other local authority rating areas and the Tribunal is aware that the onus of proof rests with the Appellant to challenge or contest the methodology used. It is the Tribunal's finding that the Appellant has not provided sufficient evidence to overturn the scheme in this instance.

10.6 The Tribunal is convinced by the evidence provided by the Respondent that indicates there is an emerging tone of the list for multi-storey car parks and the Tribunal has found no reasons to contest same.

DETERMINATION:

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate to €249,000.

249 spaces @ €1,000 per space €249,000 NAV.

RIGHT OF APPEAL:

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.